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**VISA INTERNATIONAL
MANAGEMENT EXECUTIVE COMMITTEE
26 October 1996**

Attendance: All members were present. Tom Kappock, Al McCloskey and Jan Soderstrom also were present. Harvey Bondar was present during part of the meeting. Linda Floyd acted as Secretary.

Place & Time: Osaka, Japan
26 October 1996

Advance Materials: Mailed and delivered on 17 October 1996

418. Executive Session

The CEO, Presidents, General Counsel and Chief Administrative Officer met in Executive Session.

419. Reorganization of the Committee

The Committee was reconstituted to include only the CEO, the Presidents, the General Counsel and the Chief Administrative Officer, effective as of the next meeting.

420. Approval of Minutes

After discussion, and upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the minutes of the Management Executive Committee meeting of 15 September 1996 are hereby approved.

421. Global Member Satisfaction Survey

An overview of the Executive Committee presentation was reviewed. The Committee endorsed a uniform, cross-Region approach to consumer brand monitoring.

422. Appointment of Interim Director and Reconstitution of International Executive Committee

The Executive Committee will be reviewing a proposal to appoint an interim Director from the Latin and Caribbean Region to the Committee for its October meeting. The full Board will be reviewing reconstitution of the Executive Committee to accommodate Mr. Tamai's resignation at the end of the year and appointment of his successor, Mr. Okino, as well as appointment of a LAC director to the Committee.

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**GOVERNMENT
DEPOSITION
EXHIBIT
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423. **Visa Development Group**

The Board presentation on Visa Development Group was reviewed and discussed.

424. **Competitive Position**

Reviews of current fees and gateways are in process. Members in the Latin America and Caribbean Region have requested the corporation to analyze the possibilities of a Platinum-type card. A paper was distributed discussing pros and cons of such a product.

425. **Post-Year 2000 Card Issuance**

A report was given on actions taken to date, and a proposal for presentation to the Board was discussed.

426. **SET Standard Ownership**

MasterCard has requested that American Express be included in management of SET and granted part ownership of the protocol. Legal and business implications will be discussed, and confirmation of what MasterCard is requesting sought. The consensus of the Committee is that SET should be the industry standard.

427. **Secure Electronic Commerce: Wholesale Pricing -- Structure and Methodology**

The Committee reviewed and discussed a proposed methodology to determine wholesale pricing on secure electronic commerce. The consensus of the Committee was that the methodology was viable, provided the assumptions made it in were correct, but that it was too soon to determine actual pricing.

428. **Brand Convergence**

Regional issues with brand convergence were reviewed and discussed. The consensus of the Committee was that acceptance is the main priority. Each Region will analyze the issues and bring suggestions for their resolution for discussion at the next meeting. Risk control and terminalization issues should have higher priority than brand issues.

429. **South Africa**

A relationship card has been developed by two South African banks. It was proposed that these cards be branded with VISA flag, with the banks committing to move to EMV standards. The banks want to announce this pilot on 4 November. A paper was requested on the current status of the relationship card, future plans and how it all ties to the corporate strategy. A public relations question and answer sheet will be distributed to the Regions immediately.

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430. **Switch/Link Issue in the U.K. (CONFIDENTIAL ITEM)**

Confidential negotiations are being held with Natwest on its Switch program. However, a leak has developed, and negotiations have been stopped pending discovery of the leak.

431. **Integrion Implications**

IBM now has disclosed its plans for Integrion. Integrion is perceived by Members as being a competitor of Visa Interactive. Concern in the Regions about continuing Visa Interactive was mentioned.

The consensus of the Executive Committee technology working group was that the Visa Interactive technology is sound. However, order-to-pay may be an issue.

432. **Risk Management Committee Meeting**

The Committee adjourned to conduct the Risk Management Committee Meeting and then reconvened.

433. **Corporate Card**

A paper will be distributed discussing how to bring the corporate card product up to parity with competitive products. The paper also covers a comparison between the needs of the corporate card and a Platinum-type card product. A recommendation will be brought back to the Committee after comments have been received.

434. **Program Management**

An overview of the Program Management function was reviewed. The primary role will be as the main interface with the Regions on products and programs. Recommendations on how to resolve resource shortages will be prepared.

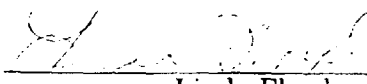
435. **Internal Audit Report**

There were no questions or comments on the Internal Audit Report.

436. **Other Business**

The next Management Executive Committee meeting is scheduled as a videoconference on 18 November.

There being no further business, the meeting was adjourned.


Linda Floyd